

AGREEMENT
BETWEEN
TEAMSTERS LOCAL UNION NO. 957 ("Union")
AND
THETA ENGINEERING, INC. ("Company")

Effective October 1, 1997

Expiration: September 30, 2001

TABLE OF CONTENTS

Article		Page No.
Article 1	— Preamble	1
Article 2	— Witnesseth	1
Article 3	— Recognition	1
Article 4	— Contract Matters	1
Article 5	— Union Security	2
Article 6	— Management's Rights and Responsibilities	3
Article 7	— No Discrimination	3
Article 8	— Hours and Overtime	4
Article 9	— Holidays	4
Article 10	— Vacation	5
Article 11	— Grievance Procedure	6
Article 12	— Union Representatives	8
Article 13	— Seniority	8
Article 14	— Leaves of Absence	9
Article 15	— Call-In Pay & Report-In Obligation	9
Article 16	— Funeral Leave	9
Article 17	— Shift Work	9
Article 18	— Bulletin Board	10
Article 19	— Lunch Period	10
Article 20	— Insurance	10
Article 21	— No Strike and No Lockout	10
Article 22	— Wages	10
Article 23	— Effect of Law	11
Article 24	— Duration	12
Wage Schedule A		

ARTICLE 1 — PREAMBLE

Section 1. The purpose of and consideration for this Agreement is to provide orderly collective bargaining relations between the Company and the Union, to secure prompt and equitable disposition of grievances and to establish fair wages, hours and working conditions for the employees covered by this Agreement.

ARTICLE 2 — WITNESSETH

Section 1. This Agreement entered into this 1st day of October of 1997 by and between Theta Engineering, Inc., hereinafter called the "Company," and Teamsters Local Union No. 957, affiliated with the International Brotherhood of Teamsters, hereinafter called the "Union," shall be effective on October 1, 1997 for the period through September 30, 2001.

Section 2. In order to more effectively apply the principle of collective bargaining for wages, hours and working conditions for the members of the Union, the parties agree as follows:

ARTICLE 3 — RECOGNITION

Section 1. The Company hereby recognizes the Union as the exclusive representative for the purpose of collective bargaining with respect to rates of pay, wages, hours of employment and other conditions of employment for all employees in the Unit as set forth by the National Labor Relations Board in Case No. 9-RC-15775.

Section 2. The Unit certified by the National Labor Relations Board as Case No. 9-RC-15775 is as follows:

INCLUDED: All classifications listed in Wage Schedule A

EXCLUDED: All office clerical employees, all professional employees, guards and supervisors as defined in the Act.

ARTICLE 4 — CONTRACT MATTERS

Section 1. If any part of this Agreement is rendered or declared invalid by reason of any existing or subsequently enacted legislation, valid governmental regulation or order, or by decree of a court competent jurisdiction, or does not conform with the Service Contract Act, the invalidation of such part of this Agreement shall not affect or invalidate any of the remaining parts hereof, and the same shall continue in full force and effect.

Section 2. The Company and the Union acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining, and that the understandings and agreements arrived at between the Company and the Union after the exercise of that right and opportunity are set forth fully and completely in this Agreement,

each voluntarily and unqualifiedly waive the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any such subject or matter not specifically referred to or covered by this Agreement, even though such subject and matter may not have been within the knowledge or contemplation of either or both the Company and the Union at the time they negotiated or signed this Agreement.

ARTICLE 5 — UNION SECURITY

Section 1. Commencing on the thirty-first (31st) calendar day of employment, any employee who is a member of the Union in good standing, as a condition of continued employment, shall maintain his or her membership in the Union.

Section 2. Any employee hired on or after the effective date hereof, shall become a member of the Union on the thirty-first (31st) calendar day of his employment if retained in the employ of the Employer and he shall as a condition of employment, maintain his membership in the Union.

Section 3. The Company agrees that upon employment of any new employees, the Company shall furnish the name, address and social security number to the Union. This information is to be mailed to the Union within ten (10) working days. It shall be the responsibility of each employee to keep the Company and the Union notified of their current address and telephone number.

Section 4. All references to individuals covered by this Agreement designate both sexes, and wherever the male gender is used. It shall be construed to include both the male and the female.

Section 5. The Company agrees to deduct from the pay of all employees covered by this Agreement, the dues and initiation fees of the Union having jurisdiction over such employees and agrees to remit to said Union all such deductions, prior to the end of the month for which the deduction is made; provided, however, that the Union has provided the Company with a check-off authorization or other similar document, signed by the employee. No deduction shall be made which is prohibited by applicable law. Where an employee who is on the check-off is not on the payroll during the week in which the deduction is to be made or has no earnings or insufficient earnings during that week or is on leave of absence, the employee must make arrangements with the Union to pay such dues in advance.

Section 6. The Company will recognize authorization for deduction from wages, if in compliance with State law, to be transmitted to the Union or to such other organizations as the Union may request if mutually agreed to. No such authorization shall be recognized if in violation of state or federal law, and no such deductions shall be made which are prohibited by applicable law. The Union Steward will obtain check-off authorization from new employees authorizing the deduction of Union dues and assessment fees. After obtaining the authorizations, the Steward will give the authorizations to the Project Manager. The initiation fee is currently \$125 and monthly dues are two times the hourly rate of pay as set forth on Wage Schedule A for the classification of the employee rounded to the nearest dollar. The employee can pay the initiation fee up front or have the Company deduct it from his first paycheck. Dues are taken out of the first two pay periods in a month in equal amounts.

All Union employees, whether full time or part time, and except as otherwise may be provided for in this Section 6 are required to pay the initiation fee plus the monthly dues. If a part time Union employee does not work any during a month, he can receive a withdrawal card from the Union. The Union Steward has this information and can give a description of these benefits. All employees who are classified by the Company in its classification system as part-time employees are required to pay the monthly Union dues; provided, however, that payment of the Union initiation fee will be waived for these part-time employees until such time as these part-time employees are classified by the Company as full-time employees.

Section 7. The Union shall indemnify and save the Company harmless against any and all claims, demands, suits or other forms of liability that shall arise out of or by reason of action taken or not taken by the Company for the purpose of complying with any of the provisions of this Article 5, or in reliance on any list, check-off authorization, notice or assignment furnished under any such provisions.

ARTICLE 6 — MANAGEMENT'S RIGHTS AND RESPONSIBILITIES

Section 1. The Company reserves and retains the right to direct, manage and control the business and the work force, except to the extent that this Agreement specifically provides to the contrary.

Section 2. This includes, but is not limited to, the right to plan, direct and control operations; to determine when work is to be performed; to determine, alter, revise, change or eliminate any or all means, methods, processes, materials and schedules of production; to determine the existence, number, composition and size of crews; revise routes and stops along routes; to determine or change the duties of jobs; to determine the location or relocation of the work place, departments or operations; to establish production and work standards; to control the nature and specifications of all raw materials; semi-manufactured and finished goods; to temporarily transfer employees between jobs, shifts and departments; to hire, discipline, suspend or discharge for just cause, layoff, transfer, promote or demote, except to the extent that this Agreement specifically provides to the contrary.

Section 3. The Company shall have the right to institute and enforce reasonable nondiscriminatory rules except that the Company shall notify and discuss with the Union any changes in the rules prior to their institution and the Union retains the right to protest through the grievance and arbitration procedure whether the rules are discriminatory or unreasonable.

ARTICLE 7 — NO DISCRIMINATION

Section 1. The Company and each employee will cooperate fully to abide by all applicable laws and regulations prohibiting discrimination on account of Union membership and activity, race, color, religion, sex, national origin, age, handicap or status as a veteran of the Vietnam War.

ARTICLE 8 — HOURS AND OVERTIME

Section 1. The normal work week shall commence at 0001 Sunday and shall consist of seven (7) consecutive days thereafter.

Section 2. When changes in, or deviation from the normal schedule which has been in effect within the Company are to be made by the Company, notice will be given to the Union in advance by the Company.

Section 3. The normal working day is eight (8) hours, and the normal work week is forty (40) hours; but, this should not be construed as a guarantee of a minimum number of hours of work in any week or day. Part time employees shall not be used for the purpose of diminishing the bargaining unit.

Section 4. All hours worked in excess of forty (40) in any one week shall be paid at time and one-half (1 1/2).

Section 5. All work performed on Saturday and Sunday in excess of forty (40) straight time hours per week shall be paid at time and one-half (1 1/2).

Section 6. All hours worked on a holiday as defined in this Agreement shall be paid at double time rate, which includes the holiday premium.

Section 7. Overtime and premium hours shall not be pyramided.

Section 8. Overtime is mandatory and the failure to work overtime shall count against employees, unless excused by a supervisor, in writing.

Section 9. Seniority shall be used for the purpose of assigning overtime. This shall be by volunteers starting with the senior man down within a job classification so long as they are qualified and have the fitness and ability to do the job. If no one volunteers, they shall be obtained by forcing from the bottom up.

ARTICLE 9 — HOLIDAYS

Section 1. The following are designated as paid holidays for the term of this Agreement:

New Year's Day	Martin Luther King's Birthday
Washington's Birthday	Memorial Day
Fourth of July	Labor Day
Columbus Day	Veterans Day
Thanksgiving Day	Christmas Day

Section 2. Employees who have completed their probationary period shall receive holiday pay of eight (8) hours at their regular hourly rate provided they have worked their scheduled shift the work day before and the work day after the holiday.

Section 3. If an employee leaves early on either the day before or the day after the holiday without permission from management, he or she will not receive holiday pay.

Section 4. The Company and the Union understand and agree that if an employee bids on a vacation week in which a Holiday falls, the employee bidding on that week will be allowed to take another day off with pay, as is mutually agreed to by the employee and Company, as a substitute for that Holiday. The employee will be charged for five (5) days of vacation.

ARTICLE 10 — VACATION

Section 1. All full-time employees who have been in the continuous employment of the Company or predecessor contractor(s) who carried out similar contract functions as the Company at the same Federal facility for one (1) year shall receive two (2) weeks vacation with the contractor or successor and three (3) weeks after eight (8) years.

Section 2. All full-time employees are to be guaranteed forty (40) hours vacation with pay per week at their average weekly earnings if they have not been laid off for longer than two (2) months or missed twenty (20) unexcused working days from one anniversary date of employment to the next. Vacation time off, jury duty up to three weeks, workers compensation up to three months, bereavement time or days off for holidays or paid sick leave will not be counted as days missed by the employees.

Section 3. Vacations shall be granted between the first of January and the 31st of December of each year and shall be in accordance with job classification seniority, and mutually agreed upon by the employee and Company, so as not to hinder work production. A vacation schedule will be posted the year round. The schedule will be put on the bulletin board by January 1 of each year so the employees may choose their vacation times by January 31. All vacation weeks not scheduled by January 31 will be open to any employee regardless of seniority.

Section 4. Employees shall be allowed to take all of their earned vacation weeks at one time in minimum increments of five (5) workdays at a time.

Section 5. Employees shall not be penalized for taking extra time off while on their vacation if they are in an accident, if they become ill or if there is an emergency, provided if able, the employee immediately notifies the Company in writing of said condition and provides suitable documented proof (copies of invoices, accident reports, etc).

Section 6. Vacation will be granted on the employee's anniversary date after one year of employment. Vacation time must be taken within one (1) year of the time it is accrued. The Company will not pay a full-time employee in lieu of a vacation except on termination of Company's contract with the Government for the work covered by this Agreement.

Section 7. Part-time employees shall receive, in addition to payment for insurance (for each hour actually worked up to a maximum of 40 hours per week the amount set forth in Article 20), a cash payment equal to the pro-rated vacation, Holidays, and sick days based on the number of hours actually worked by the part-time employee.

ARTICLE 11 — GRIEVANCE PROCEDURE

Section 1. All grievances and disputes relative to the interpretation, meaning or application of this Agreement which may arise between the Company and the employees shall be adjusted by a representative of the Union and the Company or the Company's representative. This includes the Union as a whole.

The Union may appoint a working employee as a Steward whose duties it shall be to receive all grievances or disputes from the employees covered by this Agreement, and adjust them immediately with the Company's representative.

The Steward shall not be discriminated again in any manner by the Company or the Company's agent because of, or on account of, the Steward's activities in presenting any adjustment of grievances or disputes.

Section 2. In the event that any employee or employees have a complaint, they will verbally present the complaint with their Steward to the Project Manager or his designee. If the complaint cannot be settled within three (3) working days, it may be reduced to writing and processed in accordance with the grievance procedure described in the following Sections of this Article.

Section 3. A grievance, to be valid, must be presented to the Company in writing, signed by the employee and specifying the article and section of the Agreement believed violated and what relief is sought no later than five (5) working days of learning of the occurrence of the dispute. The Company shall answer the grievances in writing within an additional five (5) working days.

Section 4. If the Company's answer is still unsatisfactory, then, within five (5) working days, the Union business representative shall meet with a representative of management designated by the Company and that manager must reply to the Union within an additional five (5) working days.

Section 5. If the dispute is still not resolved, the Union may appeal the grievance to arbitration within an additional ten (10) days. The parties shall jointly request the Federal Mediation and Conciliation Service to submit a list of seven (7) persons from which the Company and the Union shall alternatively strike three (3) names. The person whose name remains upon such list shall thereupon become the impartial arbitrator who shall hear the matter. The decision shall be final and binding on both parties.

Section 6. The arbitrator shall not have the right to add to nor subtract from nor modify any of the terms of this Agreement and all decisions must be within the scope and terms of this Agreement.

Section 7. It is agreed and understood that only one issue shall be submitted to one arbitrator unless the Union and the Company shall mutually agree to submit more than one grievance to the same arbitrator.

Section 8. The arbitrator shall submit his decision in writing within thirty (30) working days after he has heard the case. His decision must specify in what manner the amount (if pay is involved) is to be received by the aggrieved party.

Section 9. All time limits specified above exclude Saturdays, Sundays and holidays.

Section 10. The fee of the arbitrator shall be equally shared by the Union and the Company.

Section 11. The Company and the Union agree that the principle of progressive discipline applies to disciplinary actions taken by the Company against its employees, except as otherwise stated below. Progressive discipline includes the following steps: 1. Verbal warning; 2. Written warning; 3. Suspension; 4. Termination. No employee shall be terminated without a hearing being held by the Company at which time the Union may present facts. A written warning shall only be valid for twelve (12) months.

To assure continuous and successful operation of the Company's contract performance for the federal government ("Government"), violation of certain Company rules and regulations are so serious that they may result in disciplinary action up to and including termination, without proceeding through the other steps of the progressive discipline process. This action may be taken for the following offenses:

(a) Violation of any law, including but not limited to, possession of firearms, knives, or other weapons, fighting or attempting bodily injury to another, theft or malicious mischief that results in the injury, destruction of or loss of the property of other employees, the Company, or the Government.

(b) Violation of the rules and regulations of the Government at Wright-Patterson Air Force Base.

(c) Failure to immediately report accidents or personal injuries to the proper authorities, including the Company.

(d) Refusal or failure to perform work duty assigned.

(e) Willful neglect in the care of, or use of Company or Government property.

(f) Introduction, possession or use of intoxicating liquor, habit forming drugs, illegal drugs and narcotics, prescription drugs (unless the employee has a valid prescription for the drug, the drug is required to be taken during normal work hours, and the employee has informed the Company of the employee's requirement to take such prescription drug) at the Company's work location or otherwise on Government property.

ARTICLE 12 — UNION REPRESENTATIVES

Section 1. The Union representative may request permission of the Company to come on the work site for the purpose of investigating grievances or for the purpose of attending meetings with the Company provided, however, such Union representative shall request and secure prior permission from the Company's Project Manager, or his designated representative, and such approved visits shall not interfere with operation of the Company's business.

ARTICLE 13 — SENIORITY

Section 1. In applying the principles of seniority as set forth in this Article, seniority shall be the determining factor provided that historical job performance, competence, skill, ability and qualifications to do the job are approximately equal among the affected employees. This process is subject to the grievance and arbitration procedure set forth in this document.

Section 2. An employee shall have seniority from the date of his or her hire. A seniority roster will be published to identify these dates.

Section 3. All employees shall be considered probationary employees for the first ninety (90) calendar days of active employment. Throughout this period supervision will evaluate the probationary employee as to such things as work habits, attitude, loyalty, willingness to accept varied work assignment and training, safety, competence, productivity, fitness, attendance, and ability to contribute to our team effort. Upon completion of their probationary period, an employee's seniority will be retroactive to his first day of employment.

Section 4. Supervisory determination as to retention or termination of probationary employees anytime during the ninety (90) days probationary period are not subject to the Grievance and Arbitration Articles of this Agreement.

Section 5. When employees successfully finish the ninety (90) day probationary period of employment, they will become employees with Company seniority. Employees with Company seniority are covered by the Grievance and Arbitration Articles of this Agreement.

Section 6. Employees with the highest seniority and qualifications to do the job, shall be offered any job opening first.

ARTICLE 14 — LEAVES OF ABSENCE

Section 1. Any employee that desires a leave of absence for health reasons may submit medical proof along with a written request, on forms provided by the Company, to their supervisor.

Section 2. Such leave shall be unpaid and will be for a maximum of thirty (30) days. Leave may be renewed in successive periods of thirty (30) days each up to six (6) months.

Section 3. An employee that desires a leave of absence, as a result of being injured on the job, shall submit medical proof to their supervisor.

Section 4. Such leave shall be unpaid and will be for a maximum of one (1) year.

Section 5. Pregnancy related illness, miscarriage and childbirth for the purposes of this agreement shall be treated as any other illness and employees covered by this Agreement shall receive leaves the same as any other illness.

Section 6. It is understood and agreed that employees on a leave of absence as specified above shall automatically lose employment with the Company if they accept employment during the period of said unpaid leave, unless permission to accept such employment has been granted in advance and in writing by the Company.

ARTICLE 15 — CALL-IN PAY AND REPORT-IN OBLIGATION

Section 1. All employees are required to notify their supervisor no later than thirty (30) minutes prior to their scheduled time to report for work that they will not be working that day for illness or emergency conditions. Compliance with this provision by the employee does not excuse such absence.

ARTICLE 16 — FUNERAL LEAVE

Section 1. The Company, upon written application, is willing to provide its full-time employees with three (3) paid days consisting of eight (8) hours for funeral leave to attend a funeral provided that the relationship between the employee and the deceased fall under the category of: spouse, natural mother, natural father, natural brother, natural sister, natural grandmother, natural grandfather, and natural or adopted children provided that the employee provides proof of the relationship and death of the relative.

ARTICLE 17 — SHIFT WORK

Section 1. The Company currently operates one (1) shift per day but reserves the right to institute additional shifts.

ARTICLE 18 — BULLETIN BOARD

Section 1. The Company will post on its bulletin board Union notices provided that such notices are submitted in advance to a Company supervisor for approval. All notices will be posted unless they contain confidential, negative or derogatory information about the Company and/or its services.

ARTICLE 19 — LUNCH PERIOD

Section 1. One (1) thirty (30) minute unpaid lunch period shall be scheduled by the Company for all employees sometime in between the third (3rd) and the sixth (6th) hour of the work day unless emergency circumstances warrant otherwise.

ARTICLE 20 — INSURANCE

Section 1. The Company agrees to pay the employees two and 56/100 dollars (\$2.56) per hour for each hour worked, up to a maximum of 40 hours per week including all vacation hours, Holidays and paid sick leave, in their paychecks in lieu of group insurance, health, welfare and other fringe benefits beginning October 1, 1997.

ARTICLE 21 — NO STRIKE AND NO LOCKOUT

Section 1. The Company shall not cause, permit or engage in any lockouts of its employees during the term of this Agreement.

Section 2. The Union shall not authorize, cause, engage in, sanction, recognize or assist, nor will any employee take part in any slowdown, work stoppage, sympathy strike, picketing or other concerted interference against the Company, occurring at or around the Company's premises during the term of this Agreement, regardless of the identity of the persons or organizations who initiate such action.

ARTICLE 22 — WAGES

Section 1. The Company will pay its employees every other Friday and these days will be established as the employees' regular paydays. Paychecks are to be passed out on the designated paydays in such a way so as to remain personal. The hours worked, overtime and all deductions made are to be typed separately on the employee's check. Employees may elect in writing to have their pay amounts electronically direct deposited in their bank accounts.

Section 2. Effective October 1, 1997, the Company shall pay the several classes of employees the wage rate set forth on Wage Schedule "A." Effective October 1, 1998 and each successive October 1 during the term of this Agreement, the Company shall pay the several classes of employees increased wages of three and one-half percent (3 1/2%) in accordance with the

schedules of minimum rates and wages annexed hereto and made a part hereof and marked Wage Schedule "A".

Section 3. Any employee who gets injured on the job shall receive their full day's pay from the Company.

Section 4. Where any employee is called upon to work in more than one job classification for one or more hours, said employee shall be paid the higher wage rate for hours worked in that classification, but no less than their regular wage rate.

Section 5. All full-time employees who have been in the continuous employ of the Company for 90 days, shall be granted paid sick days on the basis of six (6) working days with pay per year at their regular hourly rate, to be accrued at the rate of one (1) day per two (2) months. If on an employee's anniversary date of employment, paid sick days are not taken, the employee will be paid for days in excess of three (3) days and the remaining three (3) days will carry over from year to year. In the event of termination of employment with the Company, the remaining paid sick days will be paid to the employee. Part-time employees will not receive paid sick days. Employees terminated during their first year of employment will not receive pay for any accumulated sick leave. No employee on Worker's Compensation, leave of absence or layoff shall accrue any sick leave.

Section 6. Sick leave will be granted in increments in full hours, but no less than four (4) hours, for visits to a physician and dentist. The Company may in the exercise of reasonable discretion, require verification of illness, injury, treatment or examination by a written report from the attending physician or dentist or by a written report of an examination of the employee by the Company's physician or by both.

Section 7. The Company will credit each full-time employee \$125 per year (based on employment date with the Company) toward the purchase of employee uniforms; except all full-time new hires during their first year of employment will be credited with \$175 toward the purchase of employee uniforms. Any uniform purchases are subject to approval by the Company, particularly as to compliance with the Company's uniform requirements and all purchases must be from a Company approved supplier. The cost charged to the employee's account will be the actual cost to the Company.

ARTICLE 23 — EFFECT OF LAW

Section 1. In the event that any provision of this agreement is found to be in conflict with any applicable federal law or state law regulation, the provision shall no longer be effective; but the remainder of this agreement shall continue in full force and effect.

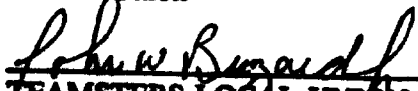
Section 2. In the event that any provision of this Agreement is found to be in conflict with any contractual obligation between the Company and the United States Government, that provision shall no longer be effective; but the remainder of this Agreement shall continue in full force and effect.

ARTICLE 24 — DURATION OF AGREEMENT

Section 1. This Agreement shall become effective October 1, 1997 and shall remain in full force and effect until September 30, 2001 and from year to year thereafter, unless written notice by registered or certified mail is given by either party to the other sixty (60) days prior to the expiration date.

Section 2. In witness whereof, the Company and the Union have signed this Agreement this 1st day of October 1997.

For the Union


TEAMSTERS LOCAL UNION NO. 957

For the Company


THETA ENGINEERING, INC.

WAGE SCHEDULE "A"

Classification	Effective Date			
	10/1/97	10/1/98	10/1/99	10/1/2000
Mail Clerk	\$10.62	\$10.99	\$11.37	\$11.77
Driver/Messenger	\$11.36	\$11.76	\$12.17	\$12.60
Messenger	\$ 9.96	\$10.31	\$10.67	\$11.04

Lead Personnel, to the extent any are designated by the Company in its sole discretion, shall receive fifty cents (\$.50) per hour more than the highest rate of the employees which the Lead person supervises.